

HJ  
8086  
G7R5ZR

A  
A  
0  
0  
1  
1  
4  
6  
2  
9  
6  
7



UC SOUTHERN REGIONAL LIBRARY FACILITY







71.

705

Laurel, H. B.

TO

THE HOLDERS OF THE FOREIGN BONDS  
OF MEXICO.

709 4.56

GENTLEMEN,

THE Report, recently published by the Committee of Mexican Bondholders, demands some remarks in vindication of my proceedings in my mission to Mexico.

On some contradictory principle these proceedings are censured by the Committee, who did not investigate the facts, although the Sub-committee, which did investigate them, and that with no anxiety to spare me, could find nothing to denounce.

That investigation was instituted for the special purpose of discovering some ground for my condemnation,—some pretext for escaping payment,—not only of my reward for my protracted, arduous, and anxious labours, but even my positive loss by shipwreck, and actual disbursements in their service. After arranging and re-arranging the charges against me, they are exhibited in six questions, with an answer at the foot of each, to the effect,—that no such charge is established.

It is true that their business being conviction and not acquittal, they in form acquit me on the fifth question only, in these express words, “The charge involved in the above query falls to the ground.” Whether the third is meant to produce the same effect, I know not. The question is: Has Mr. Robertson protected the interest of the bondholders with regard to the tobacco monopoly? Reply: Mr. Robertson says, “that the two mortgages upon them “for 2,800,000 dollars are valid—are preferential.” They speak of the two mortgages, as well known to them as to me,—of no inconsiderable amount; and they tell you that I tell them, what they know as well without as with my information, that the mortgages are valid and preferential; and they do not express a suspicion of the correctness of that *news*. There never was any question

RECEIVED BY MAIL  
JAN 20 1874

on the subject. Indeed, the answer does not fit the question proposed for my trial. But it leaves you to infer, and with the conviction that you will infer, as an irresistible conclusion, that this tobacco monopoly, which is well known to be hardly tenable in one province of the Republic, which is invaded by contrabandists throughout its frontier, is utterly worthless under such a mass of preferential incumbrance.

The main object is to prove that I made an unauthorised and improper convention. This forms the subject of the first question : “ Was it in the power of Mr. Robertson to have obtained more advantageous terms for the bondholders ? ” Answer : “ Your Sub-committee feel a difficulty in giving an opinion as to whether the *best* terms were obtained. They have, however, no reason to doubt that Mr. Robertson used his best exertions,” &c. But here it was felt that they were exceeding their office.—This seemed to be approbation too unqualified—there must be a semblance, or at least a shadow, of condemnation,—it appears. “ Your Sub-committee wish, in saying this, to disclaim any approval of the 10th article.” Do they venture to disapprove it ?

Permit me, Gentlemen, to put to your thus-investigating Sub-committee,—to your non-investigating Committee,—and to yourselves, if you will investigate your own affairs, the question in a simple form. Can you get the same terms now?—Can you get as good terms ? Has not the Mexican Republic delayed to perform them, in the expectation that you will submit to large and substantial deductions from the benefits for which I had contracted ? and search your own consciences and answer me :—will you not submit to deductions, notwithstanding this scrutiny and all the obloquy attempted to be heaped on me ?

Now this 10th article, of which this disclaimer of approbation ;—it runs thus :—“ On the 1st of January, 1859, the Government of “ Mexico and a commissioner of the Bondholders shall make fresh “ arrangements for the payment of dividends posterior to the 1st “ of July, 1859, more or less favourable, according to the state “ in which the Republic then happens to be.” In plain English, if the Republic can then pay more interest, it shall ; if it can only continue to pay at the same rate of  $3\frac{1}{2}\%$  per cent., it shall ; if it



cannot pay so much it shall pay as much as it can. Do you get more than they can pay now?—Cancel the execrable article,—will ye get more than they can pay? Their strictures on such subjects will I hope convince you that your Sub-committee has been no way negligent in their search after grounds of complaint. Are you not at this moment prepared to entertain a proposal for a perpetual 3*l*. per cent., with a million less of hard dollars out of the Indemnity Fund?

The second and fourth questions are involved in each other, and what is the effect of the answer? The question in substance is: Did Mr. Robertson sell the cotton licences under their value? Was his acceptance of “a present” of 25,000 dollars consistent with his character of Special Commissioner for the Mexican Bondholders?

Let me remark, that it was never pretended that the 25,000 dollars was a present; it was, in fact, and was always treated as a commission (and in Mexico at no unusual rate) paid on a purchase by A. from B. of property which had been previously sold to B. on behalf of the Bondholders.

But to the answer. “It is difficult,” says the Sub-committee, “to ascertain the value,”—the purchaser from the Bondholders sold them for the same price. It was hardly discreet for Mr. Robertson to incur the risk of exciting suspicions in the minds of any persons by having his acts misinterpreted. According to our view the transaction between A. and B. was so much mixed up with the transaction between the Bondholders and B. that we think they may be in a sense regarded as one, (adding a variety of arguments), but Mr. Robertson puts them as distinct, and “Mr. Robertson has given his view of the transaction fully and “without concealment in his published statement, but your Sub-“committee must confess that they are not convinced by his “reasoning. Mr. Robertson also states, that on the day after “his arrival in London, he mentioned the circumstances of the “present of 25,000 dollars to Mr. Hayne.”\*

---

\* This is extracted from the parole evidence which I gave before the Committee. I was promised a review of my evidence before it was made use of for my correction. I never had such review afforded me, otherwise the above statement would have been “the day after my return to business” in London, early in January.



Then it amounts to this: we cannot find that the bondholders have lost a penny by the conversion of cotton licences into cash, and Mr. Robertson has received the brokerage on the transaction. If it could have been added that Mr. Robertson had been so amply provided with money to defray his expenses on behalf of the bondholders, and so liberally remunerated in his office of "Special Commissioner for the Mexican Bondholders;" that it was derogatory to that high and highly remunerated character to accept payment for a collateral transaction, the acquittal might not have been complete. But, gentlemen, this is the transaction which has been paraded before you,—thus,—cotton licences, the absolute property of the bondholders, worth 680,000 dollars, every farthing of the money, sold by Mr. Robertson for 250,000 dollars,—absolute, profligate loss, by his unauthorized agency, 430,000 dollars; is he to be paid for such services!—How tame and quiet is the answer of the Sub-committee! "It appears difficult, if not impossible, to ascertain in London the value of cotton licences in Mexico." Such are their words. Gentlemen, do you believe that they are worth 680,000 dollars?—do you believe, from all you have heard, that they were or are worth, except to be sold by a slow and speculative process of retail, impracticable for the bondholders (and from which, or from an equally slow use of them by himself and his partners in the business, Mr. Escandon of course expects his profit), a farthing more than they have been sold for? I have already explained these matters at considerable length in a pamphlet to which I will beg you impartially to refer. As to the 25,000 dollars, your Committee appear to have better evidence than I, that I have received them. I have not yet been able to discover that fact. And, inasmuch as I never have wished to obtain, in any form, more than a reasonable compensation for my time and labours in or in connection with the transactions of the bondholders in Mexico, I shall cheerfully regard whatever I may derive from that source as in reduction of my claims for a fair and liberal compensation for my outlay and exertions in their service.

It is said that I allow that I acted without authority in concluding the convention. I allow no such thing.

For what purpose was I sent to Mexico? Was it to ask 5*l.* per cent. for the future, and all arrears, without abatement, in hard dollars? A letter would have done as much, and as effectually. So with the cotton licences; they were the property of the bondholders, say the Committee. Were they not sold as such? Are railway shares now saleable at their nominal value? does the Sub-committee find that the licences were worth more than they were sold for?

I confess I was surprised to find the Committee teeming with regret "at the unfortunate circumstance that I should have terminated my stay in Mexico before the termination of my mission there." Regret—for what? You propose to disavow all I did, all I intended to do, and yet regret that I did not remain to accomplish it. And well you may; for, thwarted and interfered with at every step, left utterly destitute of supplies, shipwrecked with a large loss of property, and told that I might have insured; remaining so long as I did remain, month after month, at my own charge; expending hundreds, ay, thousands, on my own responsibility in their service, without any requital but complaints, I had concluded conditionally, (and so not exceeded my authority,) an arrangement which, had I been well supported from home, would have been, as I have constantly asserted, adopted by the Mexican Congress; and would have secured you terms which your Committee may profess to repudiate as a pretext for depriving me, (I will not use a harsher word,) of my outlay and fair recompense; but which, would the Mexican Government adopt it, you would be delighted to affirm—ay, even with many deductions.

Where is the evidence that I was to depend for all further expenses, (beyond the trivial amount of 500*l.*,) and for my remuneration, on the success of my mission? Is it to be found in the probabilities of the case—that I was to transact your business at my risk, at my sacrifice of ten times as much money, and month after month of indefatigable exertion? Is it to be found in these words of your Chairman's letter, of the 2nd of November, 1848, which accompanied my credentials:—"The remuneration for the services to be rendered by you, you must be aware, must depend

“ upon a vote of the bondholders.” It is on that vote, Gentlemen, that I do depend, in the conviction that, after the severe scrutiny and inquiry to which my conduct has been subjected, and the dissipation by that inquiry of all the imputations which have been so lavishly poured forth upon me, you will do me a tardy act of justice, in defiance of the baseless and fanciful suggestions of the Committee.

I am, Gentlemen,  
Your most obedient servant,

WM. PARISH ROBERTSON.

*London, 24th June, 1850.*

LONDON :

Printed by W. CLOWES and SONS,  
Stamford Street.

UNIVERSITY of CALIFORNIA  
AT  
LOS ANGELES  
LIBRARY



University of California Library  
Los Angeles

This book is DUE on the last date stamped below.

**Phone Renewals**  
**310/825-9188**

REC'D LD-URL

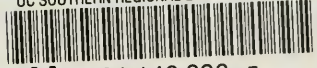
MAY 28 1988

University of California, Los Angeles



L 006 850 196 4

UC SOUTHERN REGIONAL LIBRARY FACILITY



**AA** 001 146 296 7



